

761—710.5(328) State airport improvement funds.

710.5(1) *Applicant eligibility.* A governmental subdivision owning or establishing a public airport is eligible to apply to the department for state airport improvement funds if the airport does not receive federal primary commercial service entitlement funds.

710.5(2) *Project eligibility and requirements.*

a. An airport improvement project is eligible for funding if the proposed improvement will benefit and be accessible to the flying public. Eligible and ineligible projects are identified in the Iowa aviation system plan that the department distributes annually to all publicly owned Iowa airports.

b. The project shall comply with the airport master plan as adopted by the governmental subdivision and approved by the department.

c. The governmental subdivision shall have complied with all prior project agreements with the department.

d. The airport for which improvement funds are requested shall comply with the following:

(1) Have zoning ordinances to protect the airport environment from encroachment by tall structures if within an airport hazard area as defined by Iowa Code chapter 329.

(2) Be owned by the governmental subdivision requesting funds.

(3) Have approaches to the airport runways protected by the governmental subdivision's control of the runway protection zones.

710.5(3) *Application for funding.* The department shall distribute the application instructions and forms annually to each publicly owned airport in Iowa. The applicant shall send the completed application to the department at the address in rule 710.3(17A). The application must be received on or before October 1 to be considered for funding in the subsequent state fiscal year.

710.5(4) *Application review.* The department shall review each completed application and evaluate it according to the criteria and priority order established in the Iowa aviation system plan. The department shall present the list of projects to the transportation commission for approval. The commission may approve or disapprove the list of projects, or approve a portion of a project subject to fiscal year funding appropriations. The department shall notify each applicant of the commission's action on the application. When the amount of funds appropriated for this program is established, the department shall notify the applicants whose projects received tentative commission approval of the final funding disposition of their applications. The department shall notify the applicants whose projects received funding to proceed with their projects.

710.5(5) *Project agreement and responsibilities.* Upon notification from the department to proceed, the department and the governmental subdivision shall execute an agreement. The agreement shall specify the amount of state funds, the contract period, and the responsibilities for project planning, development, construction, inspection, and documentation and the criteria for each.

a. The governmental subdivision shall submit all plans and specifications to the department for approval and authorization to advertise for bids on the improvement.

b. The governmental subdivision shall conduct the bidding in compliance with Iowa Code sections 384.95 to 384.103 and shall submit the tabulation of all bids and recommendations for award of contract to the department for concurrence before awarding the contract.

c. The governmental subdivision shall be responsible for accomplishing the project work in accordance with the approved plans and specifications. Any modification to the plans or specifications must be approved by the department before work is begun. The governmental subdivision shall supervise the actual improvement and verify compliance with the terms of the contract and shall submit periodic field reports to the department, including copies of all laboratory reports on the strength and quality of the materials.

d. Upon completion of the improvement, the governmental subdivision shall send the department the project engineer's certificate of completion, a tabulation of final costs, and an "as built" plan of the completed improvement.

e. The department may inspect the improvement for compliance with the agreement and will audit all project costs incurred before sending the final payment to the governmental subdivision.

710.5(6) Consultants.

a. The governmental subdivision shall select a project engineer before work on the improvement begins. The project engineer may be a city or county engineer or a consulting engineering firm that is prequalified with the department under 761—Chapter 20.

b. Engineering fees shall be considered an eligible project expense and shall be reimbursed in compliance with the agreement.

710.5(7) Contract payments.

a. Costs that are incurred prior to commission approval and the execution of a funding agreement are not eligible for reimbursement.

b. During the project, the governmental subdivision may submit progressive billings to the department for reimbursement of eligible costs paid for completed work. The governmental subdivision should have adequate funds available to ensure that costs have been paid prior to reimbursement.

c. The department may withhold 5 percent of eligible costs until the completed project has been inspected and project costs have been audited for compliance with the agreement. When the final billing is approved, the department shall process the final payment.

This rule is intended to implement Iowa Code chapters 328 and 329 and sections 384.95 to 384.103 and 573.12.